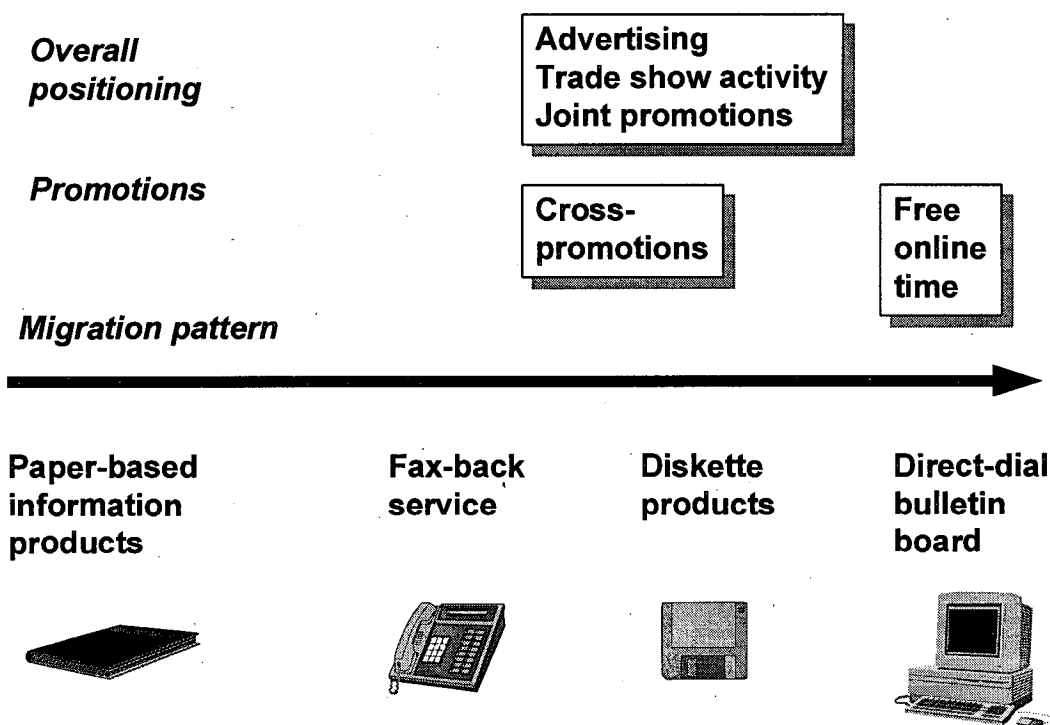


marginal costs of dissemination tend to be lower for electronic products generally, and BBS or on-line services in particular, than for paper publications.

The challenge for the Department is to develop and implement a strategy that will encourage migration to lower-cost dissemination media. As shown in Exhibit 2 below, the intent of such a strategy would be to convince as many users of paper-based products to move to electronic products. Because facsimiles and diskettes are more familiar to most than on-line BBS, these are considered intermediary products in the model; the underlying assumption is that it is easier to encourage users to move along a path where the next dissemination medium is somewhat familiar. As users become accustomed to receiving and using information in electronic form, it should be easier to encourage adoption to on-line dissemination media. (However, the history of emerging media suggests that demand for traditional media will persist: the challenge is to minimize it).

Exhibit 2 Migration to Electronic Products



Such a migration strategy could involve the following communication and promotional initiatives:

- Advertising, trade show activities, and joint promotions with other providers (e.g. associations, other government organizations) to position the Department as a source for electronic products and services;